

**Petition to Mayor & Council to Protect Taxpayers & Workers  
in the Awarding of Public Contracts and Financial Incentives**

- Whereas,** taxpayers want to require that tax incentives are given to projects that provide unique benefits to the entire community, protect the neighborhood surrounding any such project, and ensure that workers are treated fairly in a safe working environment;
- Whereas,** taxpayers want contracts for public construction projects awarded to responsible employers that represent the values of our community;
- Whereas,** recent events in Framingham have highlighted the lack of safeguards on the use of public funds and protections for workers;
- Whereas,** projects receiving public funds should provide community mitigation to address neighborhood concerns;
- Whereas,** wage theft is often accompanied by employer tax and insurance fraud, with employers failing to pay their payroll taxes and workers compensation premiums;
- Whereas,** the award of public contracts or tax incentives are a successful tool to increase the city's tax base and produce new tax revenue by attracting new businesses to Framingham and encouraging existing companies to expand in the city;
- Whereas,** these financial tools and incentives stimulate development, and when in tandem with other local support programs, strengthen the City's ability to expand its industry base and create permanent and full-time jobs for Framingham residents;
- Whereas,** many communities have recently established these taxpayer and worker protections;
- Whereas,** Framingham residents want its municipality to adopt the proven practices and policies of other communities to improve the quality of life of its residents; now,
- Therefore,** we the undersigned petition the Mayor and Council to establish an ordinance to protect taxpayers and workers in the awarding of public contracts and financial incentives in Framingham.

*Be it ordained by the Framingham Council, as follows:*

**Protect taxpayers and workers in the awarding of public contracts and financial incentives  
in Framingham**

SECTION 1.

**Taxpayer and Worker Protections**

**Section 1. DEFINITIONS.**

- A. "City" means the City of Framingham.
- B. "Resident" means any person for whom the principal place of residence is within the City of Framingham during the entirety of time the person works on a Public Construction Project. Proof of such residence may include, but is not limited to, the following: a valid Massachusetts Driver's License or Massachusetts Identification Card, utility bills, proof of voter registration, or such other proof acceptable to the City.
- C. "Tax Relief" means any issuance of tax relief provided under a Tax Increment Financing Agreement, a Housing Development Exemption Agreement or any other provision of law or regulation authorizing the issuance of tax relief, or any form of taxpayer-funded grant provided under the Community Preservation Act

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or any other provision of law or regulation authorizing the issuance of taxpayer-funded grants.

- D. "Tax Relief Agreement" means any Agreement or other form of document governing the terms and conditions of the issuance of Tax Relief by the City.
- E. "Veteran" means a person who has served in any branch of the United States Armed Forces, and was not dishonorably discharged.

**Section 2. POLICY.**

It is the policy of Framingham in considering the utilization of tax incentive to support existing businesses and pursue new private investment and the award of public contracts to strive to:

- 1) Create permanent, full-time, livable-wage jobs for Framingham residents;
- 2) Protect workers from unsafe conditions and contractor exploitations;
- 3) Promote economic diversity;
- 4) Increase Framingham's commercial and industrial base;
- 5) Increase property values and tax revenue;
- 6) Eliminate blight and/or redevelop an underutilized property;
- 7) Directly or indirectly spur additional, unsubsidized private development in Framingham;  
and,
- 8) Benefit the long-term economic development and community goals of Framingham.

**Section 3. TAX RELIEF AGREEMENTS.**

It shall be a special and material condition of the Tax Relief Agreement that any construction manager, general contractor or other lead or prime contractor, or any entity functioning in any such capacity, and any other contractor or subcontractor of any tier or other person that is engaged to perform the construction work during the term of this Agreement on the property that is the subject of this Agreement (hereinafter, collectively and individually, the "contractor") shall comply with the following qualifications and conditions:

- A. Any request for tax relief must be submitted to the City prior to the commencement of the project, and the application must:
  - 1. create permanent, full-time livable wage jobs for Framingham residents;
  - 2. certify that, its contractors, subcontractors and lessees, if applicable, will insure non-discrimination, without regard to race, color, religious creed, national origin, age, sex, gender identity & expression, sexual orientation, genetic information, ancestry, military service, source of information, or disability in the areas, in hiring, promotion, demotion, transfer, recruitment, layoff, termination, rate of compensation, in-service or apprenticeship training programs, and all other terms and conditions of employment as it pertains to the applicant, its contractors, subcontractors and lessees, if applicable;
  - 3. improve a "Blighted Open Area", "Decadent Area", or a "Substandard Area" as defined in 402 CMR 2.03;
  - 4. demonstrate additional economic benefits to the Framingham community, such as the employment of youth interns or support for local initiatives;



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5. meet all local, state and federal permitting, licensing and regulatory requirements;
  6. generate an increase in property tax revenue;
  7. demonstrate that the Tax Relief is necessary to either off-set the cost of the project, retain and expand its operations in Framingham, or locate its operations to Framingham;
  8. provide a project pro forma which demonstrates the financial need for tax increment financing and/or a written statement from the lender or principal funding provider noting the importance and basis therein of tax increment financing to the overall financial package assembled to finance the project;
  9. demonstrate evidence of the required financing to complete the proposed project;
  10. include a plan to use its best efforts to purchase supplies, materials, and services from suppliers and vendors located in Framingham, including requesting proposals from Framingham suppliers and vendors, giving preference to Framingham suppliers and vendors that are both qualified and competitive; and,
  11. include a plan to use its best efforts to hire a minimum of 50% of its contractors and sub-contractors from qualified local (within thirty miles of the project address) companies, contractors and sub-contractors.
- B. Any request for tax relief shall comply with the following qualifications and conditions at all times during their performance of work on the property:
1. The contractor has not been debarred or suspended from performing construction work by any federal, state or local government agency or authority in the past five years;
  2. The contractor has not been found within the past five years by a court or governmental agency in violation of any law relating to providing workers compensation insurance coverage, misclassification of employees as independent contractors, payment of employer payroll taxes, employee income tax withholding, earned sick time, wage and hour laws, prompt payment laws, or prevailing wage laws;
  3. The contractor must maintain appropriate industrial accident insurance sufficient to provide coverage for all the employees on the project in accordance with M.G.L. c. 152 and provide documentary proof of such coverage as part of the application process, or prior to commencing any work to the Chief Procurement Officer to be maintained as a public record;
  4. The contractor must properly classify workers as employees rather than independent contractors and treat them accordingly for purposes of minimum wages and overtime, workers' compensation insurance coverage, unemployment taxes, social security taxes and state and federal income tax withholding. (M.G.L. c. 149, §148B on employee classification);
  5. The contractor must comply with M.G.L. c. 151, §1A and M.G.L. c. 149, § 148 with respect to the payment of wages;
  6. The contractor must be in compliance with the health and hospitalization requirements of the Massachusetts Health Care Reform law established by Chapter 58 of the Acts of 2006, as amended, and regulations promulgated under that statute by the Commonwealth Health Insurance Connector Authority;

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7. The contractor shall not discriminate against citizens of states other than Massachusetts in hiring individuals for the project but, as between prospective employees who are residents of Massachusetts, however, shall give preference to residents of the City;
  8. The applicant shall submit monthly a list to the City of all the expected contractors to work on the project as part of the applicant's request for Tax Relief, including the name of the primary contact, the Contractor's address and either a phone number or email address;
  9. The applicant and/or the contractor must submit monthly to Chief Procurement Officer certified payrolls for all contractors in certified payroll format provided by the City that includes the employees full name, address, identifying number, gender and race, and which tabulates hours worked for females, people of color and residents of the City, and a copy of the OSHA 10 card for every employee attached to the first certified payroll they submit on which the employee appears;
  10. The contractor must make arrangements to ensure that each employee of every contractor and subcontractor of any tier entering or leaving the project individually completes the appropriate entries in a daily sign-in/out log. The sign in/out log shall include: the location of the project; current date; printed employee name; signed employee name; name of employee's employer and the time of each entry or exiting. Such sign-in/out logs shall be provided to the City on a weekly basis with the certified payrolls and shall be a public record.
- C. If any person or entity subject to the foregoing qualifications and conditions fails to comply with any of them with respect to work on the property, the parties agree that such an event materially frustrates the public purpose for which this Tax Relief Agreement (and any certification or other form of approval that may have been granted by the state) was intended to advance. In such an event, the Tax Relief granted by this Agreement shall be terminated upon written notice to the property owner, and the property owner shall pay to the City an amount equal to the value of any tax relief or grant that was received prior to the termination of this Agreement. Where required, the City shall petition the appropriate state agency or body for revocation of the certification or approval and, upon such revocation, the tax relief provided by this Agreement shall be terminated and the property owner shall pay to the City an amount equal to the value of the tax relief or grant that was received prior to the termination of this Agreement.
- D. The applicant certifies as part of the application process that any contractor or subcontractor previously determined by the City or by any court or agency to have violated any of the obligations set forth in Paragraphs B above for the previous five years shall not be hired to perform work on the project.
- E. In the event the owner of the property or any other person challenges the termination of the tax relief provided by this Agreement and/or the revocation by the state of any certification or approval, the owner shall set aside in an escrow account an amount equal to the full amount of the tax savings that previously would have accrued under this Agreement while any such challenge remains pending. The owner of the property shall have a continuing obligation to contribute to the escrow account amounts equal to any additional tax savings that accrue under this Agreement while its challenge remains pending. The owner



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shall promptly provide to the City with documentation of its compliance with this obligation. The conditions of the escrow account shall provide that, in the event the owner such other person is unsuccessful in its challenge, the funds in the account shall be paid to the City. The owner's obligations under this subsection shall be judicially enforceable. It is the intent of the parties that the residents of this municipality are third party beneficiaries of this Agreement, and that it may be enforced in a civil proceeding brought by not less than ten (10) taxable inhabitants.

**Section 4. MUNICIPAL CONSTRUCTION CONTRACTS.**

Whenever the City of Framingham is procuring construction services subject to the provisions of M.G.L. chapter 149, Chapter 149A or chapter 30, §39M, the following shall be incorporated into the procurement documents and made part of the specifications and contract. Any person, company or corporation shall acknowledge, in writing, receipt of said requirements with their bid or proposal. (QUESTION: ALL CONTRACTS? DOLLAR VALUE?)

- A. All bidders or proposers, contractors, and subcontractors and trade contractors, including subcontractors that are not subject to M.G.L. chapter 149, §44F, (the "contractor") under the bidder, shall as a condition for bidding, contracting, or subcontracting verify under oath and in writing at the time of bidding or submittal in response to an Request for Proposals (RFP) or in any event prior to entering into a contract or subcontract at any tier, that they comply with the following conditions for bidding, contracting or subcontracting and, for the duration of the project, shall comply with the following requirements and obligations:
1. The contractor shall not have been debarred or suspended from performing construction work by any federal, state or local government agency or authority in the past five years;
  2. The contractor shall not have been found within the past five years by a court or governmental agency in violation of any law relating to providing workers compensation insurance coverage, misclassification of employees as independent contractors, payment of employer payroll taxes, employee income tax withholding, earned sick time, wage and hour laws, prompt payment laws, or prevailing wage laws;
  3. The contractor shall maintain appropriate industrial accident insurance sufficient to provide coverage for all the employees on the project in accordance with M.G.L. chapter 152 and provide documentary proof of such coverage included with the contractor's submitted bid to the Chief Procurement Officer to be maintained as a public record;
  4. The contractor shall properly classify workers as employees rather than independent contractors and treat them accordingly for purposes of prevailing wages and overtime, workers' compensation insurance coverage, unemployment taxes, social security taxes and state and federal